



THE ROLE OF INTERNATIONAL LEADERSHIP IN GLOBAL CORPORATIONS

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Abstract

Purpose of the Study: The impact of global leadership behavior in the contemporary business environment cannot be easily overlooked as the global environment is full of competitive challenges. Leadership behavior is critically significant because it impacts the present or future situations of any organization. The attainment of an organization's objectives depends largely on leaders and their leadership behavior.

Methodology: The data for this study were obtained from existing literatures on international leadership in global corporations as well. The methodology relied heavily on existing previous literatures on the subject being dealt with.

Results: The demonstration of a specific leadership behavior by leaders affects both productivity and job satisfaction of employees directly or indirectly. Multinational firms can promote economic activities in developing nations and offer an opportunity to enhance the economic growth, qualities of life, regional, and world commons. This leadership expertise enables the achievement of maximum proficiency and output at a minimum cost.

Implications: The role of global leadership behavior on the performance of multinational corporations has been discussed decisively and how they impact on both workers and organizational performance. Multinational companies often have their headquarters in one state, while other branches or outlets exist in other nations of the world and keep a high standard of leadership outfit.

Novelty: The innovation of this paper is the maximum proficiency of international leadership in global corporations.

Keywords: *International Leadership, Global Company, Organization, Leadership Behavior*

INTRODUCTION

The impact of global leadership behavior in the contemporary business environment cannot easily be overlooked as the global environment is full of competitive challenges. The global business environment is changing completely and is attributable to major societal factors. Though many issues may influence organizational performance, there can be few doubts that excellence of leadership behavior is one of the greatest critical determinants of success in any organization. Leadership behavior plays a crucial role in improving employees' work satisfaction, job motivation, and job performance. Therefore, good leadership behavior quickens the development and success of many organizations. As good leadership behavior plays an important role in the performance of organizations, the performance of an employee stands as a building block of an organization, and the factors that give way for a high organizational performance must be put into cognizance by organizations, since no organization can achieve great progress by depending on few employees or individual efforts. It is usually a joint effort of all organizational members. In view of this, performance is seen as a great multidimensional construct which aims to accomplish results and has an active link to the strategic objectives of an organization ([Mwita, 2000](#)).

Workers are vital assets in organizations, without whom the objectives and goals of an organization may not be accomplished. Several researches have been carried on the roles played by noble leaders in promoting employees' performance. Researches have shown that good leaders can perform a mediating function in the bond between organizational culture and staff outcomes for a good leadership to flourish; which in turn leads to promote employees' work performance. Therefore, in the competitive world with a great advancement in technological changes within the business setting, it becomes paramount that organization should adopt leadership styles and behaviors that will aid in sustaining organizations in the dynamic environment ([Bass & Avolio, 1994](#); [Maritz, 1995](#)).

Leadership behavior is critically significant because it impacts the present or future situations of any organization. Every organization needs active leaders who can absolutely influence their employees by promoting their individual performances and organizational level of commitment to attain organizational performance. The attitudes of top-level leadership have a vital effect on the organization. In view of this, several studies on the global leadership behavioral level

have shown how important leaders persuade their subordinates' behaviors. Leaders are critical ingredients in the success of any firm. Leaders identified with a high commitment can serve as a vital instrument for the development of a situation that offers organizational efficiency. Hence, effective leaders are revealed to be predictive of behaviors and performances in organizations. An active leadership style is observed as a good source of sustaining competitive advantage and management development. Good leadership attitude help organizations to accomplish their desired goals more efficiently by connecting staff performance to valued rewards and by ensuring that workers have the needed resources to achieve the goal. Additionally, [Sun \(2002\)](#) made a comparison of leadership performance and leadership behavior in schools and enterprises, and observed that leadership behavior has an important positive relationship with organizational performance in both enterprises and schools. Widely speaking, organizational performance is identical to leadership performance. Business organizations attribute their achievements to leadership proficiency, i.e., the leadership model of administration has a moderate impact on the performance of the organization. [Fu-jin et al. \(2011\)](#) note that leaders apply their attitude to establish concern, respect, and care for workers, and in turn increase the interest of workers in their jobs and empower them to improve their performances, thereby impacting their work satisfaction positively.

Leadership attitude in an organization is one of the instruments that play an important role in improving the commitment and interest of the personnel (Obiruwu, 2011). Positive leadership behavior is especially significant to motivate workers' commitment to accomplish organizational goals and promote job performance. Therefore, it is in view of this that the present study is structured as thus: the introduction, literature review of earlier and related studies, conceptual clarification of terms, conclusion, and references.

LITERATURE REVIEW

This study will, most importantly, review earlier and related works on the influence of leadership behavior on performance as it has to study multinational companies. [Detelin \(2002\)](#) studied the effect of leadership on organizational performance in Russian companies with a view to investigate the main effects of transformational and transactional leadership behaviors on organizational performance of Russian companies. The author found out that transformational leadership behavior positively and directly predicated organizational performance of companies in Russia over and beyond the effect of transactional leadership. He went further to observe that managers in Russia displayed more transactional leadership behaviors and contributed positively to the accomplishment of organizational goals, and their support for innovation significantly improved the relationship between transformational leadership and performance. In a related development, "Examining the Effects of Leadership Behavior on Employee Perception of Performance and Job Satisfaction" is a study carried out by [Sergio \(2008\)](#) with the objective to measure three types of leadership behavior and their relation to perceptions of performance. The author argued that three styles of leadership behavior are related to perceptions of performance, while development-oriented and relations-oriented behaviors are related to job satisfaction. He went further to observe that leadership behavior comes into play when it matters on predicting job satisfaction and perceived performance. Therefore, in view of this, it is important to give employees' job satisfaction a special consideration in this matter. Closely, [Afshan et al. \(2012\)](#) observed performance to be the achievement of certain tasks measured against identified or predetermined standards of accuracy, cost, speed, and completeness. An employee's performance can be displayed in terms of improvement in production or organizational output.

Similarly, [Imran et al. \(2014\)](#) conducted a study titled "The Effect of Attitude on Workers Performance" with a view to carry out investigation on job commitment, training, motivation, and their impact on workers' performance. The author observed that all behavior related factors positively affect workers' performance. They went further to argue that job commitment and motivation have a high impact on the performance of workers and concluded that organizations should take their highly experienced employees into cognizance and develop an active relation policy by offering competitive salary, experience-based promotion, and experience-based pay that will promote the organizational performance. In the same vein, "Effect of Ethical Leadership on Workers' Job Performance" was a study carried out by [Shukurat \(2012\)](#) with the objective to examine the concept of ethical leadership and its effect on workers' job performance and how companies can build the behavior and action of active leaders. The author argued that corporate company managers are supposed to be figures of resilient characters and equally serve as a model to their workers, without which the company's objectives may be weakened due to the performance being strongly affected. In view of this, high performance in any organization has been attributed due to workers' motivation and satisfaction, which organizations must consider appropriately to achieve a high level of job performance.

In addition to the above, a research titled "Impact of Transformational Leadership on Follower Performance and Development: A Field Experiment" conducted by [Taly et al. \(2002\)](#) with the aim of testing the effect of transformational

leadership and training on workers' performance and development. The author observed that leaders in their evaluation group had a more certain and direct influence on workers' development and performance than the managers with the control group. Therefore, in a related objective, [Alison \(2008\)](#) conducted a research titled "The Impact of CEOs on Company Performance" with the objective to address methodological issues and reassess the percentage of variance in company performance described by heterogeneity in CEOs. The author argued that CEOs' impact on corporate parent performance is substantively more significant than that of the company and industry's impact on business-unit performance.

Furthermore, "Empowering Leadership in Board Teams: Impact of Knowledge Sharing, Performance and Efficacy" is an article researched by [Abhishek et al. \(2006\)](#) with the purpose of evaluating the mediating roles of knowledge sharing and group effectiveness in the relationship between team performance and empowering leadership. They argued that empowering leadership was absolutely related to both team effectiveness and knowledge sharing, which in turn were absolutely related to performance. According to [Mary et al. \(2008\)](#), who carried out a similar study titled "How Shareholders and Economic Values relate to Employees' Perception of Leadership and Company Performance" and examined the indirect impacts of executives' shareholder and economic values on company performance. The author asserts that CEOs' emphasis on economic standards is related with employees' perceptions of dictatorial leadership, whereas CEOs' emphasis on shareholders' value is related with employees' perception of visionary management. Additionally, visionary leadership associates positively with workers' additional effort, which in turn associates with company performance. It is obvious that unautocratic leaders contribute more positively to organizational performance and workers' satisfaction and autocratic leadership impacts little.

Organizational performance is also viewed as the survival and profitability of an organization in which its measurement is primary both in manufacturing and services. The effectiveness and performance of service organizations are measured by their customers' satisfaction and the stakeholders prefer good relationship rather than profit. The performance and effectiveness of manufacturing organizations are in the quality of their products and the stakeholders are more concerned with profit maximization ([Islam & Abdullah, 2013](#); [Islam & Al-Nasser, 2013](#); [Islam & Al-Homayan, 2013](#); [Al-Nasser et al., 2013a, 2013b, 2013c](#); [Al-Al-Homayan et al., 2013](#); [Sarker & Islam, 2013](#); [Al-Nasser et al., 2015](#); [Saad et al., 2016](#); [Al-Nasser et al., 2016a, 2016b](#); [Khan et al., 2017](#)).

[Dasalegn \(2016\)](#) conducted a study titled "Leadership Behavior in CBE and its Impact on Workers' Performance" with the objective to investigate the affiliation between workers' performance and leadership behavior and workers' commitment as an intervening factor. The author argued that management behaviors contribute immensely towards organizational commitment and workers' performance. He observed that all managerial commitment dimensions have an important impact with organizational performance; while, organizational commitment has an intervening impact between management behavior and workers' performance. He believed that leaders need to improve their behavior to the greatest level to promote organizational commitment and workers' performance. In the same manner, [Christine \(1999\)](#) carried out a research titled "The Impacts of Leadership Style on Performance Improvement on a Manufacturing Task" with the aim to explore the impact of leadership style on the improvement of workers' performance over time. In view of this, the author argued that employees working under a considerate manager outperformed significantly the employees working under a charismatic manager in the first trial. He noted that by stressing upon the participants' comfort and well-being, considerate managers may reduce the uncertainty and stress associated with a difficult and unaccustomed manufacturing task, and the charismatic manager's communication of the significance of quality enhancement may have made the members more careful at the outset, possibly improving their earlier performance. He concluded that consistent with earlier studies, members working under structuring managers never outperformed those working under charismatic or considerate managers, and they performed significantly worse in the beginning.

[Abdikarim et al. \(2013\)](#) carried out a study titled "The Impact of Leadership Behavior on Employees in Somalia" with the aim to investigate the affiliation between leadership and workers' performance in Mogadishu-Somalia. The author observed that the significant existing statistics have an absolute relationship between workers' performance and leadership behavior, in which he explained further that there is a statistically significant and considerate positive affiliation between leadership behavior and workers' performance. He recommended that firms should maintain genuine relationship with their subordinates, which improves workers' performance. Firms should encourage the performance of positive workers. Furthermore, [Zhang \(2004\)](#) conducted a study titled, "The Effect of Performance Management System on Workers Performance" with the aim to examine the nexus between workers' performance through a performance management system. The author found out that clients' communication with workers and organizations significantly impact workers' performance and the performance management system has an absolute, but insignificant affiliation with

workers' performance. Therefore, improving employee's performance by making use of performance management system is a vital way to promote the firm's performance.

Similarly, the effects of workers' job performance behavior and organizational culture on organizational productivity was studied in pharmaceutical industries in Karachi, with the objective of evaluating the hypothesis that suggested that there is an affiliation between workers' job performance behavior and culture, which is humanizing in the organization, and its cooperative effect on the productivity of the organization. The researcher found that an organizational culture has no effect on workers' job performance and organizational productivity, but companies' culture has an active effect on employees' job performance. They finally submitted that there is a significant impact of behavior on work environment, organizational productivity, and culture development. Furthermore, [William et al. \(1995\)](#) carried out a research titled "The Impact of Transformational Leadership on Teacher Attitudes and Student Performance" in Singapore to assess the influence of transformational leadership by academic principals as it relates to organizational citizenship, commitment, teachers' leadership, and students' academic performance. The author found out that in the level of school analysis, transformational leadership had an important add-on impact on transactional leadership in the prediction of organizational citizenship behavior, organizational commitment, and teacher satisfaction. He further observed that transformational leadership was found to have indirect impacts on students' academic performance.

In line with the above, the differential effects on managerial and non-managerial subordinates were studied in an article titled "Does Participation Leadership Promote Work Performance by Including Trust or Empowerment?" by [Xu Huang et al. \(2010\)](#). The researchers evaluated whether leadership participative behavior is associated with enhanced job performance through an exchange base process or motivational process. In view of their findings, they observed that the nexus between participative superiors' leadership behaviors and employees' task performance and organizational citizenship conduct toward organizations was intervened by psychological empowerment (motivational moderator) for managerial assistants. [Zahra et al. \(2012\)](#) conducted a research titled "Impact of Context on Performance Approach Orientation" with the objective to examine a theoretical model which argued that diverse work contexts persuade the relationship between work performance and performance approach orientation, in which theorized communication exists between rewarding climate and performance approach orientation.

In view of the above, [Ihsan et al. \(2011\)](#) studied "Managing Behavior of Workers in Multinational Organizations" with the aim to evaluate earlier researches and understand human attitude and avail a brief solution to international organizations. The researchers argued that workers are not born with toxic behavior and may become competent workers if effectively managed. They equally observed that the development of an active relation between workers and their management is the panacea to diverse behavior-related issues. Organizations should build an active relationship system to get the commitment of workers' performance as interaction instruments and network may assist managements to accomplish a positive job performance and relationship. They concluded by observing that managing the attitude of workers is a dynamic task and each worker seeks special attention by the organization for building a positive attitude ([Mathew, 2008](#)). In view of this, and showing how important positive relation with employees could impact organizational performance, it is paramount that leaders should behave more positively by relating with their employees to maximize their potentials.

[Jay et al. \(2007\)](#) performed a study titled "Shared Leadership in Team - An examination of Antecedent Situations and Performance" to evaluate antecedent situations that lead to the development of shared leadership and the encouragement of shared leadership on team performance. They argued that shared leadership envisages team performance as rated by employees. They noted that a shared leadership is an important factor that can promote team performance from the viewpoint of end users or customers.

Therefore, deducing from the abovementioned review of earlier and related works on global leadership behavior and their impacts on organizational performance, it becomes important that global leaders must endeavor to adopt leadership behaviors that will not only lead to achieving their organizational goals, but motivate employees to enhance their performance so that organizational objectives can be met and employees attain job satisfaction.

GLOBAL LEADERSHIP AND BEHAVIOURS

The Concept of Leadership

The concept of 'leadership' involves the process of influencing people to understand and accept what is supposed to be done, and how to go about it, and the practice of having an individual facilitated and joint effort to achieve shared objectives. Leadership is a process in which several individuals are influenced by one person to accomplish a common objective. Therefore, these definitions can be broken into many parts, but are central to the concept of leadership. Some of them are as follows: (a) leadership involves involving other people; (b) leadership is a process; (c) leadership has to do with goal attainment; (d) leadership takes place within the context of a group; and (e) these goals are shared by followers and their leaders. In view of this, the act of observing leadership as a process assumes that leadership is not a trait or characteristic with which only minor certain individuals are endowed at birth.

Seeing leadership as a process simply means that leadership involves a transactional event that takes place between leaders and workers. It can be considered as a process through which leaders affect and are in turn affected by their workers, either negatively or positively. It can be deduced from these definitions that leadership involves a two-way communication, especially between leaders and their employees rather than a one-way communication in which the leader affects the employees and not vice versa. It equally means that leadership is not limited to just the single individual in a group who has the formal position of power. Excellent leaders not only inspire their employees' potentials to improve organizational effectiveness, but equally meet their desires in the process of accomplishing organizational objectives. Leadership is the application of a leading strategy to avail inspiring motives and augment the employees' capabilities for growth and development. Many reasons show that a relationship should exist between organizational performance and leadership behavior. The first is that the present day's dynamic and intensive markets feature price/performance rivalry, innovation-based competition, creative destruction of existing competencies, and decreasing returns ([Venkataraman, 1997](#)). Several studies have shown that active leadership behavior can enhance the progress of performance when companies are faced with these new challenges.

In addition to the aforementioned questions about effectiveness of leaders remaining unanswered for a long time, the scientific inquiry carried out in the 20th century attempts to define and evaluate leaders' efficiency. Leadership involves the practice of influencing the activities of organized groups or individuals towards attaining particular objectives or goals. In the same manner, leadership is the ability to persuade the performance of subordinates. Therefore, in view of this, a leader must directly deal with individuals, build good relationship with them, inspire, and persuade them to cooperate in the attainment of objectives and vision of their company. Leaders need to positively exhibit integrity, courage, vision, compassion, ethical stance, and contribution to their organizations and staff satisfaction. Furthermore, leaders should be able to consider what motivates people, how people feel, and in what manner should they be influenced in order to accomplish their organizational targets. Leadership has to do with a relationship of influence among followers and their leaders who intend actual outcomes, changes and thus, reflecting shared purposes to result in a positive performance.

The Concept of Global Leadership

The reliance of small firms and the rise of multinational firms in the international arena create a room for the emergence of a new type of leadership. It is obvious that several present day and future firms will have outlets located in different corners of the globe and will in turn draw employees from every part of the world. Therefore, in view of this, global leaders must possess abilities and skills to communicate with and manage personnel from different cultural settings that populate his or her international organization. In line with this, global leaders must possess at least the following global leadership characteristics.

- a. A global leader must possess the skill of intercultural interaction and understand at least one or two foreign languages and the complexities of communication with people from other cultural backgrounds.
- b. A global leader must be cosmopolitan in nature, i.e., he/she must be flexible enough to operate comfortably in a pluralistic cultural setting.
- c. He/she must exercise a commitment for a continuous improvement in renewal and self-awareness.
- d. He/she must be able to use experience in various organizational, regional, and national cultures to establish relationships with culturally diverse people, while at the same time understand his/her own culture and its biases.
- e. He/she should have the ability of fast acculturation, i.e., being able to adjust to a different cultural setting at ease.

- f. A global leader must acquire the knowledge to easily understand how a nation's social institution and national culture affects the overall management process. Lastly,
- g. He/she should be a promoter and a user of the growing global culture. A global leader must equally understand and take opportunities of advances in transportation, media, and travel that support the globalization of transnational business ([Cullen & Parboteeah, 2011](#)).

GLOBAL LEADERSHIP BEHAVIOR

The attainment of an organization's objectives depends largely on leaders and their leadership behavior. The exercise of a specific leadership behavior by leaders directly or indirectly affects both productivity and job satisfaction of employees. Therefore, a leadership behavior is observed as a form of behavior that leaders prefer to adopt and use. Leadership behavior also involves a series of characteristics, attitudes, and skills used by a leader in diverse situations in agreement with organizational and individual values. Leaders adopt different conducts in different situations with different workers in order to motivate them to perform at their highest capability. A variety of studies have been carried out in order to evaluate the impact of leadership behaviors on companies' outcomes. Furthermore, as observed by [Yuki \(2006\)](#), leadership behavior has been observed in terms of individual traits, influence, behavior, communication patterns, administrative occupation, role relationships, and perception among others regarding the legality of influence. Leadership is a communication between two or more people of a group that often has to structure or restructure a particular situation along with the expectations and perceptions of members ([Bass & Avolio, 1994](#)). Leadership deals with three main issues, namely, followers, communication, and leaders ([Yuki, 2006](#)).

Therefore, under this global leadership behavior, two perspectives of leadership behavior shall be discussed. This includes the U.S. perspective and the Japanese perspective on global leadership behavior. Aside this, other types of global leadership behavior, such as Laissez-faire leadership behavior and Transactional and Transformational leadership behavior, shall equally be considered, in spite of managers and leaders having dissimilar traits than their followers. Leadership traits studied by the North American researchers assumes that traits alone do not build a leader, but the behavior applied in managing workers is considered to be more relevant. Therefore, and in view of this, based on many researches of North American managers, this group of researchers acknowledged two main types of global leadership behaviors, namely, tasks-centered leadership behavior and person-centered leadership behavior.

Tasks-centered leadership behaviors are concerned with completing organizational goals by establishing a structure. The leaders are also known as task-centered leaders and instruct their employees to accomplish their tasks. These type of leaders schedule work, introduce standards, and assign tasks to workers. Person-centered leaders usually show a concern for the feelings of their workers and consider their contribution in making organizational decisions which in turn has its own impact on employees and organizational performance ([Cullen & Parboteeah, 2011](#)).

Note the considerable difference between task-centered and person-centered leadership behaviors and how leaders treat their employees in making the organizational decisions. Leaders who are more of democratic in their behavior intend to involve their employees in organizational decision making, whereas autocratic leaders decide themselves. Participative or consultative leaders exist between democratic leaders and autocratic leaders in terms of their behavior with their employees and organizations. Therefore, based on the early researches of US employees, we can assume that leaders select behaviors on the basis of introducing structures for job accomplishment or of meeting the emotional and social needs of staff members.

THE JAPANESE GLOBAL LEADERSHIP BEHAVIORAL PERSPECTIVE

The Japanese global leadership behavior perspective is divided into two models, namely, the performance function leadership behavioral model and the maintenance function leadership behavioral model.

The performance function model is very much closer to the American task-centered leadership behavior. Under this kind of leadership behavior, the leader pressures and guides the employees to accomplish a greater level of group performance.

The maintenance function model is close to person-centered leadership behavior in which leaders encourage group stability and social communication.

Therefore, the difference between the U.S. perspective and the Japanese perspective on global leadership behavior is that the U.S. style of task- or person-centered leadership behavior centers on how a leader persuades an individual employee, while the Japanese performance-maintenance model of leadership behavior influences group level accomplishment.

In addition to the above, leadership behavior always constitutes a great challenge to organizational effectiveness and different leadership behaviors have been researched across decades. Bass proposed a modern model that contains three types of behavioral models, namely, Laissez-fair, transactional, and transformational global leadership behavior ([Giri & Santra, 2010](#)).

- a. Laissez-faire global leadership behavior: This is a type of leadership behavior in which the leader offers no supervision or feedback because it is assumed that the workers have higher experience and need little or no supervision to get the organizational goal accomplished. Under this type of leadership behavior, the manager gives employees' the freedom to take their own decisions in any situation as managers do not have any leadership action on their employees. The leaders under this type of leadership behavior do not exercise much control on employees, who are assumedly free to take any decision on their own ([Vugt et al., 2004](#)).
- b. Transactional global leadership behavior: Under this type of leadership behavior, the leaders adopt the behavior of reward and punish for a team performance. It gives the leader an opportunity to lead the team and the team in return accepts to go in line with their guide to achieve an organizational objective in exchange for something in return. Therefore, maximum power is given to the manager or leader to examine, train, and correct employees when their performance is not meeting the desired targets and reward effectiveness when the desired outcome is reached ([Burns, 1978](#)). The anticipated performance is based on a manager's explanations about the goals, results, aims, and rewards to workers who complete their job.
- c. Transformational global leadership behavior: This type of leadership behavior was developed in 1985 by [Bass](#), in which leaders adopt the behavior of influencing employees by making them feel important and expressing that they can collectively achieve organizational goals. This type of leadership behavior deals with individual consideration, idealized influence, inspirational motivation, and intellectual stimulation of employees ([Bass & Avolio, 1994](#)). Leaders with this type of behavior encourage workers to look beyond what they already have ([Bass & Avolio, 1994](#)). In addition, leaders motivate workers to be active and efficient in their respective jobs. Transformational leaders look for new ideas that can propel the organization to achieve the company's vision and increase performance ([Burns, 1978](#)).

The Relationship between Global Leadership Behavior and Employee Performance

The success of any organization is dependent on the leader's capability to maximize human resources. An effective leader understands the significance of staff members in attaining the objectives of their organization. Motivating the personnel is of utmost importance in attaining organizational objectives. In order to build an effective organization, the personnel ought to be inspired to put their best in the achievement of organizational objectives. Workers need to be encouraged to be efficient and therefore active organizations need active leadership ([Wall et al., 1992](#)). Thus, active leadership allows for greater participation of the whole workforce and can promote organizational performance and influence workers positively ([Mullins, 1999](#)). Effective leaders' behavior aid the achievement of workers' desires, which in turn results in greater performance ([Maritz, 1995](#)).

The Effects of Global leadership Behavior on Employees' Performance

[Tandoh \(2011\)](#) observed that a restricted work-centered behavior or style of a manager or a leader has a positive impact on workers' performance. What this signifies is that leaders are very specific about achieving results and only motivate workers to give their utmost best in order to promote productivity. However, it is equally observed that there exist a very minimal or little staff-centered behavior of leadership displayed and this negatively affects performance. Therefore, this probably means that management behaves with severe internal rules to attain results and the point corroborates that the exercise is also not a democratic-centered behavior. Leaders must learn how to be more democratic as it will have more positive impacts on workers, their organizational performance, and outputs.

The Concept of Performance

Performance is a psychological and physical capability to perform a specific task in a particular manner that can be examined as average, low, or excellent in a scale. The concept of performance is usually applied to explain wide aspects, such as the performance of a company, performance of an individual, or an employee. [Campell et al. \(1993\)](#) observed

two dimensions of performance, namely, outcome aspect and behavioral aspect. The second dimension is thought to be harmonized to situational specifications of work. The behavioral part converts into achieving organizational objectives and goals and this is the outcome aspect which serves as the first dimension of performance.

Armstrong observed performance management as an approach which plays an important task in the effective management of teams and individuals to achieve a high organizational performance. It equally builds a shared understanding about what ought to be attained and a procedure for creating and leading people which will ensure the achievement. It is a method which concerns every action of the organization set in the viewpoint of its policies of human means, style, interaction system, and organizational culture. The nature of the approach relies on the perception of an organization and can vary from company to company. A range of existing action could be applied for the calculation of efficiency. [Motowidlo et al. \(1997\)](#) pointed out judgmental and assessment procedures that take much along with the activity itself while explaining efficiency.

Performance involves managing and deploying the components of the causal model that lead to the timely achievement of stated goals within the restraints specific to a company and their conditions. Therefore, in view of this, it is presumed at the level of any organizational analysis that a well-performing organization effectively achieves its objectives. In other words, an organization actively implements a suitable strategy ([Otley, 1999](#)). In the same vein, [Appelbaum and Armstrong \(2003\)](#) observed performance to be involved with the function of employees' capability, motivation, and opportunity to participate fully in an organizational output. This stands to mean that a company or firm will achieve great outcomes if it organizes the job process in such a manner that non-managerial workers have the chance to contribute with unrestricted efforts, which could be attained by offering them autonomy in terms of decision making, by making the quality available, and by workers' membership in self-directed or off-line groups. Workers need to have suitable knowledge and skills for their efforts to be kept active. Organizations can attain this by attracting workers who already have this knowledge or by offering a formal or informal training to them. Organizations need to inspire their workers to maximize their capabilities to increase output and performance. Employee performance also involves workers' feelings, cognition, and perception about works ([Spector, 1997](#)). The performance of workers influences their job efforts and outputs. Workers are the life blood of any company and the most important resources. Workers' attitude and behavior occupies a vital position in the field of Human Resource Management.

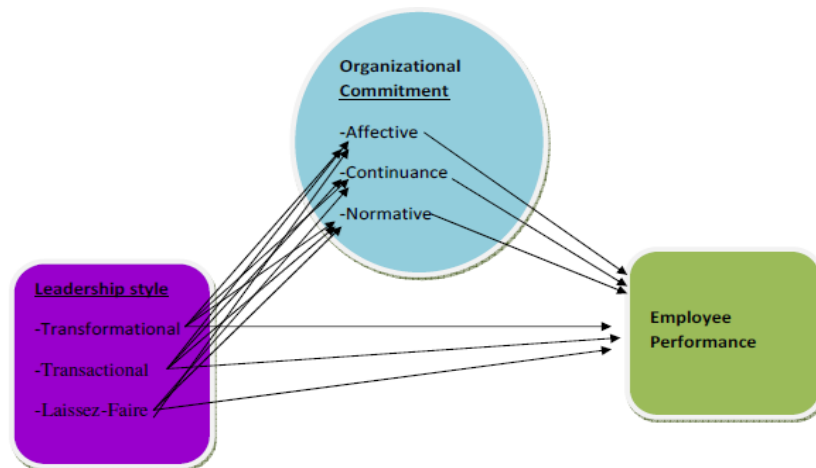


Figure. Relationship among organizational commitment, leadership style, employee performance

Source: [Cullen and Parboteeah, 2011](#)

Therefore, job performance can be observed as the examination of job that produces happy conditions and excitement for workers ([Locke, 1976](#)). In a managerial research, job performance is evaluated as characteristics and feelings that are concerned with work. [Spector \(1997\)](#) observed that work performance involves liking and disliking of employees about their work. Finally, work performance is something that involves a significant attribute for workers' maintenance while being at the work.

[Dasalegn \(2016\)](#) conducted a study titled "Leadership Behavior in CBE and its Impact on Workers Performance." The above drawing shows a direct relationship between leadership behaviors and employees performance. Furthermore, it shows the relationship between leadership behaviors and personal performance through organizational obligation. This denotes that a single variable affects a second variable and invariably affects the third variable. The intervening variable, "organizational commitment" serves as the mediator. It intervenes in the relationship between the predictor, "leadership

behavior” and an outcome, the “employee performance”. The leadership behavior comprises of transactional, transformational, and laissez faire behaviors. The organizational commitments, therefore, consists of three dimensions, namely, normative, continuance, and affective commitment. Contextual performance and task performance are the components of individual performance.

Multinational Corporations

The concept of multinational corporation (MNC) can be described and defined from varying perspectives and on a quiet number of many levels, including history, law, strategy, and from the viewpoints of business society and ethics. Multinational corporations are firms which endeavor to operate systematically on a global scale. A multinational corporation is a firm, an enterprise, or a company that operates globally with its headquarters in a developed country or metropolitan city. Therefore, [Hill and Lambert \(2004\)](#) observed multinational firms as any business enterprise that has productive activities in several countries of the world. Certain features of multinational enterprises should be observed at the beginning; hence they serve, in part, as their defining characteristics. Multinational corporations are often denoted to as “multinational company” and in some primary documents of the UN, they are known as “transnational organizations”. They are usually very big corporate entities that while stationing their base of tasks in one country, the “home state” conduct and carry out business in many other nations of the world, known as the host nations. Multinational firms are usually big business entities having a global presence. Multinational firms can promote economic activities in developing nations and offer an opportunity to enhance the economic growth, qualities of life, and regional and world commons ([Litvin, 2002](#)).

For instance, [Andreff \(2013\)](#) considered multinational firm as a business enterprise whose wealth is attained in the process of global accumulation. In addition, multinational company is a business organization controlling or owing business outlets or financial and physical assets in at least two or more nations of the world economy. This objective may be attained through gaining the most effective locations for production amenities or acquiring taxation discount from the host states. In addition, these goals confirm the notions of the Marxist community which observe MNCS as the progressive agents of capitalism. However, as a result of this capitalist objective, multinational firms do their best to cut down costs and maximize profit. As noted earlier, multinational companies often have their headquarters in one state, while other branches or outlets exist in other nations of the world and keep a high standard of leadership outfit. Such leadership expertise provides rise to maximum proficiency, i.e., achieve maximum output at a minimum cost.

CONCLUSION

The role of global leadership behavior on the performance of multinational corporations has been discussed decisively and how they impact both workers and organizational performance. Many studies prove that democratic leaders tend to behave more positively to their employees in trying to increase organizational performance better than the autocratic leaders who take decisions by themselves. Global leaders must be vision- and motivation-oriented towards their employees to enhance their organizational performance and workers’ satisfaction.

Therefore, in view of this, a leader must directly deal with individuals, build good relationship with them, inspire and persuade them to cooperate in the attainment of objectives and vision of their company, and promote performance. Leaders need to exhibit integrity, courage, vision, compassion, ethical stance, and contribute positively to their organizations and their staff members’ satisfaction. Furthermore, leaders should be able to consider what motivates people, how people feel, and in what manner should they be influenced to accomplish their organizational targets. Leadership is a relationship of influence between workers and their leaders who intend the actual outcomes and changes and thus reflect a shared purpose to meet up with more positive performance. Autocratic behavior towards employees should be limited.

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